

COMMITTEE ON ADMINISTRATION/INFORMATION SYSTEMS

June 28, 2005

5:00 PM

Chairman Forest called the meeting to order.

The Clerk called the roll.

Present: Aldermen Forest, Gatsas, Osborne, Porter, Lopez

Messrs.: T. Arnold,

Chairman Forest addressed Item 3 of the agenda:

Appeal of the denial of taxi driver's license.

This item was removed from the agenda since the applicant did not show up for the meeting.

Chairman Forest addressed Item 4 of the agenda:

Communication from Matthew Normand, Deputy Clerk, submitting an ordinance amendment Chapter 115: Solicitations, Sales, Peddlers, and Fairs tightening regulations for peddlers and other door-to-door activities.

Deputy Clerk Normand stated after the incident that happened that I believe ended up being in Concord but from the Pembroke ice cream peddler I talked to Tom Clark about whether we could tighten the regulations that would allow us to know exactly who was receiving a peddler's license. We didn't get this information previously. This would allow us to, much the same way as we do with the taxi cab drivers, get a criminal record. As you can see in the proposed ordinance amendment there are some criteria that would preclude somebody from getting a license if they were to have it on their record and it also asks for passport photos and we would create a license that would be like a nametag almost roughly the same size that would be worn by the peddlers and door-to-door salesmen. What is happening in Manchester and a lot of other communities is the door-to-door salesmen are coming...there have been several groups that have come from Nevada and Washington state and they had some issues where they were breaking into houses in Salem, MA. The same group tried to get into Manchester and had we not had the police report from Salem, MA they would be operating today out on the streets. Prior to this there would be no reason for us to get that record and this would allow us to know

exactly who we are dealing with and hopefully this would prevent any of those kind of incidents from happening.

Chairman Forest asked is this creating a new ordinance or just adding some amendments to the ordinance that is already in place.

Deputy Clerk Normand answered it is amending the current ordinance. You will see in the package here the items that are in bold are the amendments. Everything else that you see is already in the ordinance.

Alderman Osborne asked how does this affect the...I noticed a few times I see a fellow standing in front of the East Side Plaza or even on the West Side...well of course Bedford is not our problem but standing there with a sign that says, "Will work for food, two children" or things of that sort. How does this affect somebody like that?

Deputy Clerk Normand answered it wouldn't affect that person. We don't license those individuals.

Alderman Osborne asked so this could be amended to do so right.

Deputy Clerk Normand answered I am not sure that the State RSA would allow us to license somebody that...I don't know if you would call that pan handling or not but...

Alderman Osborne interjected well you feel sorry for people and a lot of people probably feel sorry but in a lot of cases it is offensive to some people when they are trying to get in and out of a place with that type of a sign stuck in their face or whatever it might be. I think it is time that we start looking at something on that idea with peddlers if we can. If it is a state statute I don't know if Alderman Gatsas would have some ideas on this.

Deputy Clerk Normand stated the definition of a peddler...currently what we follow is someone that is selling his wares on the street or someone...in this ordinance amendment that you see in front of you it also includes the door-to-door magazine salesmen. The person that is on the street offering to work for food I don't know that that would fit under the definition and that definition comes right from state law. That would require a state amendment.

Chairman Forest stated I am not sure that under their rights and all of that that they are not allowed to stand out there with a sign and comment. I think it is something that the Constitution allows them to do. I don't know if we can regulate something like that. I saw that person the other day...

Alderman Osborne interjected it is not only one. I am not picking on any particular person but I think it should be looked into anyway.

Deputy Clerk Normand stated Tom Arnold should be here before the meeting adjourns so we can ask him that question. He is going to be late.

Alderman Gatsas asked Matt can you tell me...I don't see anything in here for fees for violations if somebody does go house to house without a license.

Deputy Clerk Normand answered currently the fine...are you talking about a fine or...

Alderman Gatsas interjected correct.

Deputy Clerk Normand stated the fine for operating without a business license, and pretty much everything that we issue is covered under a business license, that is Section 110.02. That is a \$200 fine for operating without a business license. Section 115 Operating Without a Peddler's License is also a \$200 fine. The door-to-door salesman is not considered a peddler so his fine would either be failure to have a business license, which is Section 110.02 as I said for a \$200 fine or a \$50 fine for not having an itinerant salesman's license. That is in Section 38 of the Code of Ordinances. It is not in front of you tonight. It is already in place. That fine is already enforced.

Alderman Gatsas asked so it is \$200 or \$50.

Deputy Clerk Normand answered yes. It depends on how it is written by myself or the Police Department. Typically it is just written as a violation of 110.02, which is a \$200 fine.

Alderman Gatsas responded but I thought you said that it was either \$200 or \$50. How do we make it clear that it is a \$200 fine?

Deputy Clerk Normand replied it depends on how the officer or the person writing the summons writes it. If he writes it as a violation of Section 110.02 it is a \$200 fine. If he writes it as a violation of Section 115.20 it is a \$50 fine.

Alderman Lopez asked can we take this up when Mr. Arnold shows up.

Chairman Forest answered yes. We will move on to Item 5.

Communication from Joan Porter, Tax Collector, advising of the implementation of a new program called "EREG" allowing citizens to register their cars online.

Joan Porter, Tax Collector, stated I just want to thank you for letting me come tonight. I wanted to bring to you...there was a suggestion that we register cars online. It is not

exactly what people were asking for awhile ago when they were asking for credit cards so they could get frequent flyer miles but over time we discovered that using credit cards has been very negative in a lot of ways, not just based on the recent publicity. So this program was created and developed by Interware Development and there are two people here tonight representing EREG or representing Interware who will show you what the customer would go through registering online. Instead of doing it by credit card it will be done by checks that would be generated in our office. So the customer would go online, choose the vehicles they want to register...they can be renewals only and pay us by check by entering their routing number. We will print the check and at the point that we print the check the work in our office is similar to what we do right now when people mail in two checks to us and we process their registration by mail. At that point it is pretty much the same. My thought in offering this is basically a customer service. The cost to the City for start-up is relatively low. It is basically giving customers out there what they have been asking for. It is a good way for us to test the market out there and see how many people in Manchester really do want to work online.

Alderman Osborne asked the \$3,566 is that in your budget already.

Ms. Porter answered yes. We have already committed a purchase order to Information Systems in the event that this is approved. The money is already committed to purchase the software and laser printer and toner.

Alderman Lopez stated I have a couple of questions but I want to see how this would actually work first. I have had some discussions with Ms. Porter and I believe that it could be a little bit more work. That is my belief anyway. So I would like to see a demonstration.

Chairman Forest responded well do you want to have the presentation and then we can ask questions later. Okay, let's proceed with the presentation.

Ms. Porter stated Sandy Rowe and Gary Connolly are here representing Interware and they are going to walk you through the process. Someone would go to our City website and find the logo that would bring them to this online registration.

Sandy Rowe stated thank you Mr. Chairman and the Board for having us here tonight. We currently have 25 towns in NH that have been operating EREG. It has been live since April 22, 1994. So it has been out there for awhile. What we would propose is that we would have a logo, an EREG logo directly on the website for the City of Manchester. It would either be on the homepage or through the department, wherever the Webmaster for the City would like to put it. Once they are directed to the City of Manchester's website they would click on a logo that would bring them to EREG and it would bring them right to a site similar to this. The citizen would actually go into a secure site to do their registration and this would be the City of Manchester of course up here. The City

hours would be here. The City would have an option to do an estimate or to have estimates available to their citizens by plate number for renewals or if a citizen chooses they can go by a new vehicle. If they wanted to put in the year, the make, the model, the estimated weight and the estimated list price you actually can get an idea of how much the tax is going to be. Of course this is an estimate and it is a choice that the City can make. From there they can renew by plate or by PIN. Right now we are going to go in and renew by plate. The citizen would actually put in a plate number and they would put in their plate type and they would put in their primary date of birth and the last four digits of the VIN. The idea of this information is that the citizen actually has the registration in their hand and is pulling this information from the renewal notice so that the City can be sure it is the customer doing the registration. This would pull up their vehicle so that they could verify that the information is correct and it would have the cost. If they would like to see the detail the City of Manchester's own fees would be coming up here so the citizen could actually go in and see what the breakdown is. Frequently asked questions can be viewed from here and they can continue on. If they want to do another transaction they can add another transaction until they have a list of transactions up here. If they find that they have a list of transactions up here and they want to delete one they can do that. From here they would either pay by e-check or check by mail. This is an option as well. The City of Dover does mail notices as well and they opted to just allow the citizens to do e-check and if the citizens want to do it by mail they can use the mail in notice. So in Dover if you go to their website you won't even see this. It will just give you the option of e-check. A notify me by e-mail option gives the citizen a choice to be notified by e-mail next year and if it is by e-mail next year we would actually provide the program that produces the e-mail in which there would be a PIN where all of the vehicles would be tied together. We will go through the PIN process in a minute. So the citizen would submit this and would put in if they had a second name on the account and they would put in a routing number and then an account number, a phone number and then hit submit. The citizen would get to view their check. It would be made out to the City of Manchester with the amount and it also shows the bank name, address and phone number that will be transmitted to the local database here at the City. You can also see the State's return check policy and confirm the e-check. You close the window and the citizen is done. So that is the process that the citizen would go through. People who have more than one vehicle can actually go in and again back to the website and renew by PIN. If anybody needs further information it is all listed here and the fees are prominently displayed right here. If they wanted to see the registration themselves they could go in here and see a sample of where the information is displayed. If we want to go in and renew by PIN it would be somebody doing a fleet and this would actually be printed on the mailing notices as they currently are. We would add the PIN numbers. If they have more than one PIN or more than one mailing notice they would add it there. Then they would continue and all of their vehicles would be displayed. They can remove any vehicle that they want to remove just by deleting it. If there is anything here like this one here where the State fees are actually zero, it is because the City can only register up to 8,000 pounds currently. Once the City is allowed to go up to 26,000 pounds if that

occurs then it wouldn't be zero but that is why they are zero and that is why there is a note down here saying that they need to go to the State or a substation to complete the transaction. They would then submit this and fill out the information as before and submit that for their check and that is it. There are different places for the City to go as well to manage their account. That would be on our secure website, which the State has been to. It provides the City with anybody that has access or City employees would be able to go in and see the log and see what has occurred on the web. They could also get notified by e-mail through our e-notification list so Joan would know and whoever signs up their e-mail address could know when an EREG is available or when a citizen has gone on. Are there any questions?

Alderman Osborne stated so there will be three ways to register your car. By mail, in person or online? The mailing will still be going out?

Ms. Porter answered yes.

Alderman Lopez asked what type of percentage of the other towns that you have worked with and Manchester is your first major city I presume...

Ms. Rowe interjected the City of Dover.

Alderman Lopez asked do you have any statistical data as to the drop in the mail versus e-mail. For example, if you had 10,000 letters coming in and know you went to e-mail does that drop 10% or 20%?

Ms. Rowe answered we don't have any data about that but we do have...Dover has experienced a 6% renewal rate on EREG so 6% for the first year.

Gary Connolly stated one of the things if I may add is that we don't do any advertising on the site. We don't have sponsors or anything else like that. All of the costs are borne by the people using it so really what people know about EREG really depends on what Manchester would promote. So if you sent out...most of our other towns send out a mail in notice and they invite people to go online to do it and I presume the same would be true here. You might use a prominent location on your web page for awhile, on your homepage, that you now have this service available and so on and so forth. So every month it just keeps increasing and every year we expect it to go up as people find out that they can do it.

Alderman Lopez asked how many vehicles do they register in Dover.

Ms. Rowe answered 28,000 total vehicles.

Alderman Lopez stated and we have 100,000 right Joan.

Ms. Porter responded 109,000.

Alderman Lopez stated looking at the cost to the City in order to do this, I understand it is a great service and I want to get that out of the way first of all but as to what it will cost us and the bigger market that you will be in in Manchester versus other small towns that you are involved with how did you come up with the fee of \$1.85 for the first registration and \$1.50 for each additional one?

Mr. Connolly responded that is the cost that we established for everyone. It is really no different. We do have a program that we did with Dover where if they were to prepay or in effect guarantee X number of transactions then we gave them a lower per transaction rate to the customer. The same is possible here as well but in a situation where all of your costs I think except for the \$600 or something annually, all of those other costs are just one time upfront for hardware you own so you really have minimal costs on an ongoing basis for this program.

Alderman Lopez replied I believe we have a yearly maintenance cost of \$600.

Mr. Connolly responded right that is what I am saying. Apart from that I believe that is the only cost.

Alderman Lopez asked and we have to buy checks right, which is about \$37 for 500 so that comes out to a cost factor for the City to implement the program.

Mr. Connolly answered you can certainly add additional costs to the \$1.50 and some towns do. You could make the EREG convenience fee \$2 and then that extra \$.50 would belong to Manchester. Everything over \$1.50 would belong to Manchester.

Alderman Lopez stated I was thinking that I would like to drop the cost to \$1.25 from the \$1.85 and it wouldn't cost us anything to implement your program. Is that negotiable?

Ms. Rowe responded if there is a yearly commitment made by the City, yes it is possible to drop it and set forth the number of registrations on a percentage based on the 6% and the number of registrations that we would expect to go through Manchester the first year would be 6,403. So if the City of Manchester wanted to pay in advance \$8,066 then yes we would drop the price to \$1.25. Our market is all of NH and we have made our prices affording for each and every town.

Alderman Lopez replied I know but if we are accepting this program you are coming into a bigger market versus some small town that has 10,000 vehicles. You are talking 100,000 vehicles here so a bigger market I think deserves some consideration. As far as paying in advance, I don't know if we would want to do that. I am talking about if we

approve the program that you have we are giving you a big market. I calculated that you would make a profit of roughly \$10,000 just on 5,000 vehicles. So I think the bigger the market you have the more the compromise ought to be. That is just a comment.

Chairman Forest asked Joan you charge an administrative fee, correct, for each person who registers a car.

Ms. Porter answered right now \$2.50 is added to each registration for the fact that we had an agent fee. We charge \$2.50 for that.

Chairman Forest asked is there any way that the Tax Office can add \$.25 to that fee for the online payment. It is going to be a convenience to the consumer.

Ms. Porter answered we are not able to add it to the \$2.50 because that is a State statute that allows us to charge that. We are not regulated as to what fee we are charging. As Gary was saying before if we are charging \$1.50 and you decide to charge \$2 instead of \$1.50 Interware is going to bill us for that \$1.50 and anything over \$1.50 we would keep.

Chairman Forest stated well most online services have a fee. Again, I know that I use online a lot and I know a lot of people who do and to me it is worth going to a certain place and paying the extra \$1 or \$1.50 to get what I want when I want. I think that is a possibility for something like this.

Alderman Osborne stated just to make it clear when Alderman Lopez said he was going to increase it a quarter of fifty cents. That would be only for people who use the online service correct? I would say it would be an injustice to charge the people who don't.

Chairman Forest responded that is what I meant. Just the online service.

Alderman Porter stated if the City goes ahead with this and enters into a contract with you what would be the term initially of an agreement.

Ms. Rowe responded it would be renewable yearly.

Alderman Porter stated what I have in mind is we are dealing in essence right now with a pilot program and it could be reviewed after a year to see what kind of price might be negotiated. If it was super successful and you went to 10,000 subscribers then you might be in a position to discuss it but I think until we get it online we are not really going to know where we stand or whether the public accepts it and feel it is user friendly or not. I don't have a problem with going ahead with it without necessarily charging...\$.25 or whatever is fine because I think if you look at it from a practical point of view it saves a \$.37 stamp.

Alderman Gatsas asked who has access to the printing of checks other than the consumer.

Ms. Porter answered that would be done in our office and that can be supervisors or the clerks who are processing the registrations. When you are printing these checks you are going by the information given by the customer at that point in time. The customer will give us the information to print the check and we will print the check at that point in time and submit them to the bank at that point in time once we do the registration.

Alderman Gatsas asked so what you are saying is that the City is printing the checks and has access to the bank routing numbers.

Ms. Porter answered yes.

Alderman Gatsas asked could another...

Ms. Porter interjected we do now when someone sends a check in to us. The routing number is on the check anyway.

Alderman Gatsas responded right but you don't have the access to printing that check. So you could print two checks today and somebody could print two more checks tomorrow.

Mr. Connolly replied the program actually doesn't allow that. You have to specifically reprint. You get one shot at printing your checks. If the printer jams or something else happens you have to void that check and reprint another check.

Ms. Rowe responded and the checks would be made out to the City of Manchester and the State of NH-DMV and that can't be altered.

Alderman Gatsas replied right but there is nothing that says that I couldn't sit there and pay my own registration with somebody's checking account.

Chairman Forest responded I don't think the banks would allow that. I think a lot of the online services that is exactly what they ask – your checking account number and your routing number and that is how it gets done.

Alderman Gatsas replied well most of the time the consumer is doing that and right now we are talking about City employees doing it. That is my understanding. So you could sit there tomorrow and print a check for two more vehicles...

Ms. Porter asked is that possible for us to do.

Mr. Connolly answered if I may I think in a couple of communities they don't allow just anybody to print the checks. It is kind of reserved for the supervisor to do this. I think that if you have a dishonest clerk you could certainly print the checks but it wouldn't be very long before a customer called to complain and you would know you have a problem. By the time the bank statement came in someone would notice that they were charged twice. It has never happened. We have never had any issues with that.

Ms. Rowe stated to add to that the work station has to be set-up individually for a check to print. There has to be certain fonts that are available to that work station. It has to be set-up specially so unless Joan tells me I want this work station and this work station to print these checks, another work station would not be able to print them successfully unless that work station was set-up.

Alderman Gatsas asked and there is no reason why we would have to buy checks from you because I would think the check stock that we have here at the City would certainly be the same check stock that could be processed.

Mr. Connolly answered we could format a check if you have blank stock. If you have blank stock, incidentally, that would mean that you are also producing your own checks probably in accounts payable in which case you are putting your routing information on too. It really isn't any different security wise than that. You could use your own checks. We might have to format them. I know that Dover uses...they preprint an audit number on theirs that is the same on both checks, which is a little unusual.

Alderman Osborne asked how long do you think it would take for you to know whether this is going to be worthwhile or not. How long of a period of time? Would it be six months or a year? How long before you knew if this was going to be accepted in a big way or a halfway big way or whatever?

Ms. Porter answered in our opinion normally when we try anything new like this we prefer to do it for a full 12 months because every month is a new segment of people with different birth dates. So what happened in June doesn't mean that what happens in July will be the same. Obviously it will grow. Hopefully there will be a lot of publicity on it and some people will say they tried it. Even the mail-in program took awhile for people to get comfortable with it and now I would say that we do probably about 50% by mail.

Alderman Osborne asked so we would be looking to do a one year pilot program or something and then come back.

Ms. Porter answered I think a full 12 months would be good.

Alderman Osborne moved to approve the EREG program to allow citizens to register their cars online for a 12 month period and have the Tax Collector report back to the Administration Committee at the end of 12 months.

Ms. Porter asked do we know what fees we are charging.

Chairman Forest stated it is up to the Committee or the Board.

Alderman Lopez asked the \$3,566 is all taken care of within your budget correct.

Ms. Porter answered yes we have already approved a purchase order through this budget for Diane Prew to purchase that so that is all set for this year.

Alderman Lopez asked the \$1.85 for the first registration there is no compromise on your part.

Ms. Rowe answered not at this time. If we wanted to consider next year after some numbers come in a different number we could look at that.

Alderman Lopez duly seconded the motion.

Alderman Gatsas moved to amend the motion to use City check stock instead of paying for blank checks. Alderman Lopez duly seconded the motion. Chairman Forest called for a vote on the amendment. There being none opposed the motion carried.

Chairman Forest called for a vote on the main motion to approve the EREG program for a period of 12 months, have the Tax Collector report back to the Committee on Administration at the end of that period and to utilize the City's check stock. There being none opposed, the motion carried.

Chairman Forest stated Deputy Solicitor Arnold has arrived so we can go back to Item 4.

Alderman Osborne stated I have a question for Mr. Arnold. I was mentioning before regarding this Chapter 115 when you have solicitations, sales and peddlers, under peddlers I noticed in a few places in the City there is somebody that stands at an intersection of a shopping center with a sign saying "Will Work for Food, Have Two Children" or whatever it may be. What is this considered? A peddler or a begger? What is this under? State statute? Can the City handle this or what?

Deputy Solicitor Arnold stated the State statute obviously authorizes certain types of regulation. I, quite frankly, would have to look at any case law there might be under State statute to determine whether that particular individual would fall under a peddler or not. I tend to think not but I would have to do some research to verify that.

Alderman Osborne responded I would like you to do that. Not that I have anything against anybody doing it but I think they should be looked at as well as the rest of the people here. It gets kind of offensive sometimes to some people to have signs stuck in their faces as they are coming out of the grocery store. Basically could we check into that before we decide...

Deputy Clerk Normand interjected can we separate that issue from this amendment. I don't know that this is going to fall under peddlers anyway. Can we separate them and have Tom report back to the Committee on Administration regarding your issue on pan handling?

Alderman Osborne asked is that what you call it – pan handling.

Alderman Lopez stated the only thing I want to ask Mr. Arnold is is this a clean-up document for us. Have you reviewed everything here and you are okay with it?

Deputy Solicitor Arnold responded I reviewed it quickly. I only recently saw this. The document appears basically to add provisions for disqualifying someone for certain criminal convictions. I know that Mr. Clark has looked at it and we don't have a problem with it at this point given that we already regulate certain categories as set forth in the ordinance.

Alderman Lopez asked will this ordinance have to go to Bills on Second Reading.

Deputy Clerk Normand answered that is correct.

Alderman Lopez asked so you will have time, Tom, to review it thoroughly before then.

Deputy Solicitor Arnold answered certainly.

Chairman Forest stated I think this amendment also allows Matt and the Clerk's Office and the Police Department to sort of not control these peddlers or whatever it is but also check in on them so we don't run into the problem that they had with that so-called ice cream man that went around and nobody knew that he had a record that was 10 miles long. I think this would protect us a little bit in the City also.

Alderman Osborne asked Mr. Arnold once you look this up is there something you think the City can do under an ordinance or do you think it would have to go to the state as well.

Deputy Solicitor Arnold answered that would depend on whether the, I guess for lack of a better term, pan handler falls within the present State statute that allows this type of regulation.

Alderman Osborne stated I am just asking you probably a silly question here but what is the difference between a peddler and a pan handler. I am sure the pan handler is not looking for gold. I mean what is the difference between the two?

Deputy Solicitor Arnold responded a peddler is someone who is selling something or selling a good or service whereas a pan handler generally is not.

Alderman Lopez moved to recommend approval of ordinance and referral to the Committee on Bills on Second Reading for technical review. Alderman Porter duly seconded the motion. Chairman Forest called for a vote. The motion carried with Alderman Gatsas being duly recorded in opposition.

There being no further business, on motion of Alderman Porter, duly seconded by Alderman Osborne it was voted to adjourn.

A True Record. Attest.

Clerk of Committee